

SENATE BILL 880

By Harris

AN ACT to amend Tennessee Code Annotated, Title 7,  
Chapter 51, relative to the disposition of assets of  
publicly funded entities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 51, is amended by adding  
the following as a new part thereto, as follows:

**7-51-\_\_\_\_.**

(a) Notwithstanding any law to the contrary, no publicly funded entity in any municipality of the state shall be offered for sale or lease unless approval is granted by referendum. The county election commission shall hold an election on the question pursuant to § 2-3-204 at the next regularly scheduled election, providing options to vote "FOR" or "AGAINST" the sale or lease of a publicly funded entity, after the receipt of a certified copy of a resolution from such municipality requesting an election. The ballots used in such election shall have printed on them the substance of such resolution and the voters shall vote for or against its approval.

(b) As used in this part, unless the context otherwise requires, "publicly funded entity" means any facility that receives state or local funds to support the operation of the publicly funded facility. This part shall not apply to entities that receive funding from the department of economic and community development or the department of finance and administration as part of any economic development project as defined in § 7-40-103.

(c) The votes cast on the question shall be canvassed and the results proclaimed by the county election commissioners and certified by them to the local governing body.

(d) The qualifications of voters voting on the question shall be the same as those required for participation in general elections.

(e) All laws applicable to general elections shall apply to the determination of the approval or rejection of the sale or lease of a publicly funded entity.

(f) A majority vote of those voting in the election shall determine whether the sale or lease of the publicly funded entity shall be approved. If the sale or lease is approved at the election, it shall be eligible for sale or lease as provided in the resolution. If the proposed sale or lease is not approved at the election, the publicly funded entity may not be sold or leased.

(g) For the purposes of this part, "sale or lease of a publicly funded entity" means more than thirty percent (30%) of the assets of such publicly funded entity are subject to sale or lease.

(h) This section shall only apply upon the adoption of a resolution by a majority vote of the legislative body of any municipality of the state.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.